

VOCATIONAL EDUCATION AND TRAINING IN NEW ZEALAND

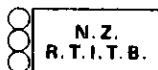
— its relevance for the road transport
sector

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1.00 CURRENT DEVELOPMENTS

- 1.01 At the time of preparation of this paper, the future direction for vocational education and training (VET) in New Zealand, is under review. Various 'working parties' have been concerning themselves with a range of relevant aspects. A number of documents have been developed for ministerial or departmental consideration, and submissions have been sought from any interested group with concern for any of the issues involved. The issues, or at least some of them, have been documented by officials of the Departments of Labour and Education and published as a basis on which interested groups in the community or in industry, can offer comment from their perspective. Among the most important of the published papers are the booklet entitled 'Tertiary Education in New Zealand' published by the Education Department early in 1987 and the booklet 'Further Education and Training - Who Should Pay?' from the Ad Hoc Cabinet Committee on Training and Employment.
- 1.02 The first of these two documents dealt with such matters as the 'effectiveness', 'efficiency' and 'responsiveness' of existing systems. It also addressed such aspects as the structure and responsibilities of various segments of the system. The second document addressed the question of funding for the provision of training facilities, including administration and research and also the need for a fair and equitable system of providing financial assistance for those undertaking various levels of vocational training.
- 1.03 An additional major document has been superimposed on the consultation process, as a result of the efforts of another working party - commissioned by the Minister of Education to report to him on the future structure of the tertiary system. Submissions on the earlier mentioned documents had to be lodged by the end of April. The Minister of Education described some of the recommendations in the report he had received from his working party, as 'radical' and invited further submissions from 'interested parties' by 31 July.
- 1.04 Subsequently the Government has been re-elected and it seems certain will now proceed to explore further its options for early restructuring of the country's VET system. Inevitably, officials will be faced with a great deal of conflicting opinion among the large number of submissions received from a wide range of interested groups on the matters exposed for discussion.

- 1.05 The Vocational Training Council's August 'Training Bulletin' focuses on the report of the Minister's working party, in an effort to place it in perspective. Written by Dr. Probine, former chairman of the State Services Commission, and Mr Ray Fargher former General Secretary of the Association of Teachers in Technical Institutes the report contains wide ranging recommendations for reform. Dr. Probine and Mr Fargher were assisted in their research by a person from the Technical Institutes Association, one from the Association of Teachers in Technical Institutes, and one official of the Department of Education.
- 1.06 The report highlights issues such as:-
- * the low participation rate in tertiary education in New Zealand compared with other developed countries.
 - * the rate at which a technological skills base is being developed.
 - * a highly centralised style of management which inhibits the adoption of an entrepreneurial approach to the delivery of services.
 - * lack of co-ordination in the delivery of training
 - * the need to provide special help for socially disadvantaged groups.
- 1.07 The report recommends radical changes to the management, funding and organisation of the post-school sector of education and training. Most significantly it recommends that the continuing education sector of the Education Department including technical institutes and community colleges, and the training roles of the Department of Labour should be transferred to a new Continuing Education and Training Board. The proposed Board would be made up of 8 or 10 people chosen by the Minister of Education, selected for their special knowledge and experience of such things as 'industry and commerce', 'education and training', and 'social and cultural matters', rather than being representatives of organisations or community groups. The Board would then advise the Minister on allocations of resources across the tertiary sector as a whole.
- 1.09 A greater degree of autonomy for technical institutes and community colleges is advocated, while there is also a strong recommendation for the setting up of a national research and development centre such as the Government funded Centre for Research and Development in Adelaide. Many people however, would feel considerable disappointment in the scant regard paid by the authors of the report to the role of the labour market partners in the administration and delivery of education and training. The function of industry training boards in the present structure is barely recognised in the report. Trade

Union and employer organisations will no doubt want to ensure that there is adequate acknowledgement of the need for joint ownership in any new system developed. The input to the construction of the Minister's working party report has perhaps been influenced by the nature of the background of its authors and researchers with the absence of direct participation by people from industry and commerce, or indeed from the Vocational Training Council.

1.10 The V.T.C. has examined the Ministerial working party report and has officially suggested that it should be viewed as 'a significant contribution to the general debate on reform to the VET system, by providing **one possible model** for new institutions in a reformed system'. Among the many submissions lodged with officials earlier in the year, and among those lodged in response to the working party report there will undoubtedly be some significantly different perspectives provided.

1.11 An interesting question to contemplate, is the extent to which the road transport industry and its associated servicing sector groups, have to this stage taken any interest in the consultations involved, or the implications for them of any major change in the structure of N.Z.'s VET system. How many groups have lodged submissions?

2.00 A ROAD TRANSPORT PERSPECTIVE

2.01 Back in 1983 in the National Business Review of 15th August, Mr Rob Campbell, then advocate for the N.Z. Drivers Federation, made some observations about the industry's preoccupation with the debate over licensing matters, to the almost total exclusion of concern for critical skill development in the industry. He commented that the industry training board had been in operation for almost 10 years but was beset with organisational and funding problems. He carried on to point out that with the advent of rapid technological change the skill needs of people in the industry were also changing rapidly. He said that the greatest concern of unions was for driver training but that it was still as true today as it had been 30 years ago, that most drivers learned the skills they needed while working on the job. Formal training he said was still the exception rather than the rule.

2.02 Mr Campbell observed that there seemed to be a need for increased Government financial support for the activities of the industry training board, since the required level of funding was not forthcoming on a voluntary basis from the industry itself. His concluding comment was that the real problem in road transport was that too few employers recognised the needs or were prepared to accept the costs and organisation involved in proper upgrading.

- 2.03 Four years later, Mr Campbell has progressed to the Board of Directors of the Bank of New Zealand and various other appointments, but it is doubtful whether the level of appreciation of the need for systematic training developments in the road transport industry has progressed in like fashion. It is essential that leaders in the industry now focus more keenly on staff development procedures and tertiary education in general, as technology gallops into the last decade before the 21st Century, and the Government's free market policies put a keener and keener edge on the need to compete!
- 2.04 There is ever increasing evidence that the Government intends to promote a principle of 'user pays' as far as is practicable, and socially acceptable. While there may well be widespread support for greater financial assistance for students obtaining basic vocational and 'life' skills, and many submissions to Government have sought greater equity in this area, there is likely to be less direct financial help to industry in training developments for operational and functional upgrading purposes.
- 2.05 Training activities for staff already employed should be regarded as an essential investment in human resource skills, and need to involve professional assessment of the benefits gained as opposed to the costs incurred. The road transport industry needs to recognise that it has huge potential to reap previously untapped rewards from this management strategy, but if it is going to wait for the Government to fund procedures and structures for implementation, it might well have to wait till the 21st Century and perhaps a different social regime! Those who decide to wait, won't last that long!!
- 2.06 Four years ago, Mr Campbell said that he saw a need for greater financial support from Government for training board activities, since there was a lack of voluntary funding from industry. From October 1987 Government has announced that it will in fact reduce its share of contributory funding to industry, to a new ratio of 40-60. Many industry sectors will barely notice the difference, as their traditional industry training orientation has for years ensured that industry's input to training has far exceeded the mandatory 50% required to attract maximum Government funds. Regrettably industries such as contracting and road transport do not enjoy that inherent management appreciation of the need for a sound training development system and organisation structure.
- 2.07 In the event that Government restructuring of the VET system does not occur within a year or so, and does not radically alter the current basis on which industry training boards operate, the Road Transport Industry Training Board would be unlikely to continue in operation beyond the 1988-89 year, unless there is a substantial change in the industry's contribution level. There is currently no direct voluntary contribution to the board's funds other than from the New Zealand Taxi Proprietors Federation.

3.00 A SUPPLIERS OR SERVICING SECTOR PERSPECTIVE

- 3.01 This paper is directed to participants in a conference on heavy vehicle design and operation. Presumably, many attending will be associated with servicing the transport operational sectors' functional and maintenance requirements. This could be by design and supply of operational plant, design and supply of ancillary equipment, modification of existing plant, repairs and renewal of componentry, or supply of other ancillary services.
- 3.02 In many cases your services to the industry demand the application of hard earned professional and technical qualifications. The equipment and componentry you supply is increasingly sophisticated and ever improving, based on continuing research and advancing skills in design and technology. The results obtained in performance and life of the equipment supplied to operators is of course very much dependent on the operators understanding of critical features for optimum performance, and practical application of skilled techniques in day to day operation.
- 3.03 It must be of concern to all supply sectors that users and potential users of specialised transport equipment are too often not suitably trained to take advantage of all the professional expertise devoted to product development. Few suppliers of vehicles or other ancillary equipment would have escaped the condemnation of some purchaser for supplying a 'less than adequate' unit when in reality the fault lay with the purchaser for inadequate specification of requirements, or for employing an untrained operator in use of the equipment.
- 3.04 The supply sector suffers from such inadequacies, and the road transport industry itself can simply not afford the waste of resources through anything other than maximum utilisation of its investment in plant and equipment. To compete the industry must be focussing on every avenue available to it to reduce operational costs. This means extending component life to the maximum possible level through well informed management decisions, and skilled operational practices. It also means developing a more acute awareness of the critical role staff development and training should play in any progressive organisation's management strategy.

4.00 IN-HOUSE TRAINING

- 4.01 The development of a more informed and systematic approach to staff training involves acceptance that the training function is itself a skilled activity. Many well meaning management people have determined to introduced training activities in their organisations only to encounter stubborn resistance, or elements of animosity among previously amicable staff

members. Conversely, problems have emerged where staff co-operation has seemed enthusiastic and the 'training' activities are welcomed and looked forward to - but few tangible results emerge, other than happy staff! These and many other effects develop frequently from training exercises introduced with inadequate recognition of very important principles and techniques essential for successful development of beneficial in-house training programmes. The training function is as much a specialised activity as is technical management or financial management. Incorrectly applied it is likely to be wasted effort for a nil return, or even worse it can 'backfire' with quite adverse effects.

- 4.02 One major achievement of the Road Transport Industry Training Board in recent years has been the establishment of the Driver Assessor/Trainer Scheme. Assisted by Government subsidy funds of just over \$200,000.00, this scheme now assists a growing number of transport fleet operators throughout New Zealand to conduct in-house training of operational staff on a full-time professional basis. In a period of just over 6 years more than 40 people have received training through the scheme to act as professional D.A.T.s.
- 4.03 Several large fleets employ more than one DAT, but a number of companies with as few as 25 or 30 drivers have found it beneficial to employ a DAT on a basis close to full-time, but supplemented with a small amount of other duties compatible with the training role.
- 4.04 There is still huge potential for further expansion of this approach to vital on-job training, in both freight and passenger sectors of the industry. There is also potential in local authority fleets, and for regional groups of smaller operators either working through a trade association or some other suitable form of co-operative. Sceptics can rest assured that none of those employing DATs (in some cases for over 5 years now) are doing so in order to dispense with surplus, unrequired funds! The Board has promoted this facility consistently on the basis that 'If you can't see a profit in appointing and training a DAT - don't bother!'
- 4.05 Perhaps it's worth commenting here about the two most predictable, and certainly among the least valid arguments, presented in opposing the concept of a DAT appointment. The most frequently heard is that 'we're too busy' and 'we'd never have time to do the training'. The second is that 'all our drivers are old hands - been around for years - plenty of experience - seldom take on new or inexperienced staff'. The comments reflect a lack of understanding of the basis of the DAT scheme - indeed a lack of understanding of some important

principles in any training function. Suffice to say, DATs are trained to be most effective at the 'work face', so the requirement for them to function productively while the fleet is busy is a bonus rather than a hinderance. In respect of the 'old hand,' most DATs have found a 'productive field' here once the initial 'barrier' is pierced. They're given advice on how to do that tactfully too! Managers should always remember that 20 years experience might only mean one year of poor performance multiplied by 20!!

5.00 OTHER RECENT TRAINING DEVELOPMENTS

5.01 The Road Transport Industry Training Board has strongly promoted the introduction in recent times of new recruit driver training programmes through tertiary institutions. Based on a DACUM research exercise conducted in 1985, a recommended course design has been developed. This is now being used in a number of regional institutions to present courses which range from 12 to 20 weeks tuition for potential new heavy vehicle drivers. The Board is endeavouring to maintain an overview of standards in this exercise by offering suitable certification of graduates where it is satisfactorily demonstrated that the student has achieved the defined requirements in all subject matter specified in the recommendations.

5.02 Training for industry people in areas of technical management is included in the Boards programme, and each year for several years now, a number of Vehicle Selection Workshops have been staged at various localities throughout the country. This year, 3 two-day programmes have run in Hamilton, Wellington and Christchurch. A fleet maintenance supervisors course of 3 days duration is also scheduled to run in November, in conjunction with the Motor Industry Training Board.

6.00 WHAT OF THE FUTURE?

6.01 It seems important that the road transport industry should reassess its need to take a more active interest in training development in all respects. It should seek actively to have its voice heard and have its opinions considered when critical decisions for the future of VET in New Zealand are being made. It's almost certain that in future a large percentage of New Zealand's young people will rely on the tertiary system to obtain basic 'life' and employment skills. Trends increasingly point towards this necessity, and the road transport industry should not stand silently on the sidelines, and watch other groups decide how their new recruits of the future will be prepared.

6.02 Impediments to sensible reasoned industry stances being determined, to allow the industry to speak with anything like a

united voice, are of course the old problems of industrial politics, regional jealousies and personality conflicts. This paper suggests that issues in respect of future VET related to the industry are of such importance that a determined effort should be made to overcome any impediments to consensus.

- 6.03 Major issues to be dealt with include the establishment of a fair and equitable means of funding for any industry training organisation, whatever form it might take after decisions have been reached by the Government on future structures. Continued inadequate funding of such an organisation will simply ensure less than adequate attention to training matters critical for further development as we approach the final decade of the 20th Century. This should not be acceptable to such a vital industry.
- 6.04 Other important issues for the industry to contemplate, are the need for management development, the need for further training of specialised in-house training staff, the need for training of owner-operators, and the training of new entrants either as drivers or as maintenance and administration staff. The need for technical training, including promotion of the facility offered by the N.Z.C.E. Road Transport Option, which is currently poorly utilised - and in danger of demise! There is also a need for some authoritative overview of standards particularly in the area of new entrants, if the industry is not going to face a multiplicity of meaningless certificates proclaiming the achievement of ill-defined competencies.
- 6.05 Road transport industry trade groups and other trade groups closely associated with the industry, should concern themselves with the fact that New Zealand lacks a road transport resource and training complex of the type now existing in most developed countries. The complex in Victoria, Australia, now claims to be the largest of its type in the world. This has not however precluded the current development of similar additional facilities in both Queensland and Western Australia. Those who have travelled widely or have studied road transport developments overseas, will be aware that comprehensive facilities of this type exist in the United Kingdom, in the United States, and throughout Europe. There is almost certainly a strong case to be made for Government investment in such a facility centrally located in New Zealand. However, in today's climate before any industry group seeks to lobby for Government support for any project it considers worthy, it needs to be able to show that it is also willing to help itself.
- 6.06 As was mentioned earlier in this paper numerous issues were addressed in discussion documents circulated earlier in the year. The R.T.I.T.B. did produce a submission which sought to address some of the matters it felt needed attention from a road transport industry perspective. The opening paragraph of

the introduction to its submission said "The Road Transport Industry Training Board believes that there are currently significant inequities in New Zealand's system of promoting, researching and developing vocational education and training facilities. It also holds the view that the delivery system needs to develop more flexibility to accommodate the non traditional trade training requirements of industries such as road transport and contracting".

6.07 The summary of its submission reads as follows :-

- 1) The R.T.I.T.B. is conscious of inequities in the current VET system which affect both the ability of some industry groups to obtain a fair and proportionate measure of state assistance, and the access of VET students to a fair and equitable basic allowance.
- 2) The Board strongly believes that the VTC/ITB network provides an ideal base on which to develop an effective administrative, research and control structure for the future oversight and development of VET in New Zealand. It contends that such a body must be adequately funded and be accorded wider statutory authority than is presently held by VTC.
- 3) The Board submits that industry training committees or boards within the above structure should be fully funded by Government, or at least have the mandatory industry contribution reduced to its original 10%. Alternatively, a suitable system for collecting industry contributions on an equitable basis must be introduced to provide for that requirement.
- 4) There should be greater recognition of the fact that industry itself and other private providers form a significant part of the VET delivery system. Tertiary institutions are the largest single element in the delivery system and maximum sensible utilisation of these resources needs to be encouraged. Tertiary institutions should not develop new VET programmes without consultation with appropriate industry training organisations, and without regard for relevant research.
- 5) Co-operation between tertiary institutions should be promoted, and competition between them should be discouraged to combat counter productive inter-institutional jealousies. Regional tertiary institutions should respond to regional VET needs in co-operation with industry training organisations, but should be charged with responsibility to observe basic national standards.
- 6) Planners of future VET development in New Zealand

should observe experience and developments in this field in overseas countries such as the United Kingdom and specifically Scotland and Ireland. Trends in Australia should obviously be noted.

- 7) There should continue to be assistance available for specific training development projects in industry. With provision for flexibility, the principle of having industry contribute at least an equal amount to these developments as is received in assistance should continue.
- 8) The Board supports the suggestion of a standard basic training allowance for persons leaving school, but considers it should be available only after 4 years secondary education or at age 16 rather than after 3 years secondary education and age 15.
- 9) The Board draws a distinction between 'disadvantaged' in respect of access to VET, and ability to obtain employment. It considers that supplementary training allowances should be targeted to legitimately 'disadvantaged' persons but that the definition of 'disadvantaged' should not include criteria relating to 'ethnic origin' or 'sex'. The criteria should be clearly and objectively defined, and should include 'location of domicile', 'physical or mental handicap' and 'financial circumstances'.

7.00 CONCLUSION

- 7.01 The road transport industry is an industry with no traditional trade training base. Its attitude to training over many years has reflected this as has also been the case in some other similarly structured industries.
- 7.02 The industry is fragmented, and regrettable sector group jealousies exist. These are however frequently petty in nature, and should be surmountable in the interests of industry development.
- 7.03 The industry is very large but employs very few professional staff training people. This is not indicative of a lack of need, and if management is wise it will acknowledge that this is so. The lack of suitably qualified people for the implementation of staff training in road transport organisations should simply be read as an indication that a substantial gap exists between current circumstances and those to which we would aspire. There is ample opportunity and a vital need for positive development if the industry wishes to compete, survive, and thrive.
- 7.04 Well planned, properly conducted staff training has a major contribution to make to the future prosperity of the industry.